

**BLOCKBUSTER'S PRELIMINARY INVALIDITY CONTENTIONS****SEPTEMBER 18, 2006****U.S. PATENT NO. 7,024,381 B1****EXHIBIT C****IDENTIFICATION OF PRIOR ART****Prior Art Public Use, Public Knowledge, Sales and Offers for Sale<sup>1</sup>**

	<b>Public Use</b>	<b>Person/Entity</b>	<b>Date of Use</b>	<b>Short Name</b>
<b>1.</b>	Subscription-based video rental service with monthly fees that allowed a member to rent as many video cassettes as the member wanted (1 at a time) at no extra cost and keep them for as long as the member wanted without incurring late fees.	Multi-Video, Will Espin Charlotte, North Carolina	No later than July 1982	<i>Multi-Video – services<sup>2</sup></i>
<b>2.</b>	Video rental service with membership programs that allowed a member to rent 1 or 2 video tapes at a time at no extra cost and keep them for as long as the member wanted, and, upon returning the tapes, the member could receive another 1 or 2 tapes in exchange.	Pop*Card, Linda Verin Oklahoma City, OK	No later than January 1985	<i>Pop*Card - services<sup>3</sup></i>

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<sup>1</sup> Hereafter collectively “Public Use” or “Use.”

<sup>2</sup> “*Multi-Video – publication*” and “*Multi-Video – services*” are hereinafter referred to collectively as “*Multi-Video.*”

<sup>3</sup> “*Pop\*Card - publication*” and “*Pop\*Card – services*” are hereinafter referred to collectively as “*Pop\*Card.*”

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<b>3.</b>	Subscription-based video rental service with monthly fees that allowed a member to rent as many video cassettes as the member wanted (1 at a time) at no additional charge.	Video Hit Parade Red Bank, NJ	No later than October 1985	<i>Video Hit - services</i> <sup>4</sup>
<b>4.</b>	Subscription-based video rental service with monthly fees that allowed a member to rent 3 to 7 videos at a time at no extra charge and keep them as long as the member wanted without incurring late fees.	Cine Club Video, Jacques-Henri Djian, Guy Desombre Manhattan, New York	No later than October 1985	<i>Cine Club - services</i> <sup>5</sup>
<b>5.</b>	Subscription-based audio and video tape rental service that allowed a member to rent 2 tapes at a time at no extra charge and keep them as long as the member wanted without incurring late fees.	AudioQueue, Duane Ramm, Mark Ramm Covesville, Virginia	No later than 1989	<i>AudioQueue - services</i> <sup>6</sup>
<b>6.</b>	Subscription-based financial training courses on computer readable disks, CR-ROMs and video tapes	Bankers Training & Consulting Co., Dean Pichee, Jean Dunaway	In the 1980s	<i>BTCC</i>
<b>7.</b>	Subscription-based audio book rental service with quarterly fees that allowed a member to rent 1 to 2 tapes at a time and keep them as long as the member wanted with no late fees.	Talking Book World, Richard Simtob Southfield, Michigan	No later than 1994	<i>Talking Book World - services</i> <sup>7</sup>
<b>8.</b>	Computer software for video rental services that had reservation features	Multipost Retail Systems, Harry Magerman	No later than 1995	<i>Video Vendor - services</i> <sup>8</sup>

<sup>4</sup> "Video Hit – publication" and "Video Hit – services" are hereinafter referred to collectively as "Video Hit."

<sup>5</sup> "Cine Club – publication" and "Cine Club – services" are hereinafter referred to collectively as "Cine Club."

<sup>6</sup> "AudioQueue - publication" and "AudioQueue – services" are hereinafter referred to collectively as "AudioQueue."

<sup>7</sup> "Talking Book World – publication" and "Talking Book World – services" are hereinafter referred to collectively as "TBW."

<sup>8</sup> "Video Vendor – publication" and "Video Vendor – services" are hereinafter referred to collectively as "Video Vendor."

EXHIBIT C: IDENTIFICATION OF PRIOR ART (Prior Art Public Use)

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	<b>Public Use</b>	<b>Person/Entity</b>	<b>Date of Use</b>	<b>Short Name</b>
<b>9.</b>	Online vehicle rental service with features allowing users to select vehicles and make reservations online	Avis Rent A Car	No later than May 1996	<i>Avis - services</i> <sup>9</sup>
<b>10.</b>	Video rental store that offered subscription plan (3 out at a time with flat monthly fee)	Campus Video, Charles Annable Oberlin, Ohio	No later than 1996	<i>Campus Video - services</i> <sup>10</sup>
<b>11.</b>	Book rental services that features an ordered list for customers to indicate the order of receiving their desired books	Books on Tape, Duvall Hecht, Ron Pravell	No late than February 1997	<i>Books on Tape - services</i> <sup>11</sup>
<b>12.</b>	Business training program library service that allows members to subscribe to pay a period fee and obtain up to 5 programs at a time and keep them as long as they want and return them for exchange of new programs	Business Training Library St. Louis, Missouri	No later than April 1998	<i>Business Training Library – services</i> <sup>12</sup>
<b>13.</b>	TV broadcast program storage, distribution and retrieval functions	TiVo	No later than March 1999	<i>TiVo – system and program</i> <sup>13</sup>
<b>14.</b>	Online DVD rental services provided by Netflix	Netflix Inc.	No later than April 27, 1999	<i>Netflix - service</i> <sup>14</sup>

<sup>9</sup> “Avis – publication” and “Avis – services” are hereinafter referred to collectively as “Avis.”

<sup>10</sup> “Campus Video – publication” and “Campus Video – services” are hereinafter referred to collectively as “Campus Video.”

<sup>11</sup> “Books on Tape – services” and “Books on Tape – online order form” are hereinafter referred to collectively as “BOT.”

<sup>12</sup> “Business Training Library – publication” and “Business Training Library – services” are hereinafter referred to collectively as “BTL.”

<sup>13</sup> “TiVo - publication” and “TiVo – system and program” are hereinafter referred to collectively as “TiVo.”

<sup>14</sup> “Netflix – publication” and “Netflix – services” are hereinafter referred to collectively as “Netflix.”